

## ‘Confidence in the people’

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Paducah Area Chamber of Commerce President Sandra Wilson, McCracken County Judge-Executive Van Newberry, Paducah Mayor Gayle Kaler, Paducah Economic Development Board Chairman Ken Hunt and PED Executive Vice President Charlie Martin share their thoughts during a news conference at the Commerce Center on Wednesday afternoon. The five local leaders talked about the local impact of the Department of Energy's decision to negotiate with GE Hitachi Global Laser Enrichment for use of the Paducah Gaseous Diffusion Plant.

The Paducah Gaseous Diffusion Plant could be seeing a lot of changes in the coming years as a new laser enrichment corporation began proceedings Wednesday to take over operations.

The U.S. Department of Energy and Global Laser Enrichment, a subsidiary of GE-Hitachi, will open negotiations immediately concerning the sale of depleted uranium hexafluoride tails at the PGDP. The GLE proposal, which was submitted to DOE earlier this year, shows plans for licensing, constructing and operating an enrichment facility, which could total a \$1 billion investment into the local economy.

The GLE proposal was community-backed, with local, state and federal officials all supporting its selection. DOE says it believes the GLE plan will bring substantial economic benefits to the area through the addition of high-paying, skilled labor jobs. The federal delegation — Sen. Mitch McConnell, Sen. Rand Paul and Congressman Ed Whitfield — said they expect thousands of construction jobs and hundreds of permanent positions opening.

“Paducah is a proud city, and we are thrilled GE has placed its confidence in the people of Paducah to host this new state-of-the-art facility,” the delegation collectively said in a press release. “Paducah has a bright future ahead, and we are genuinely grateful to be a part of it.”

In a phone interview Wednesday, McConnell said he couldn't have asked for better news concerning his home state, and he said the announcement and successful negotiations will ensure the state has a future in nuclear power.

“I was there last week, and I have to say, no matter what field they are in or what I am there to talk about, everyone wants to know about the plant,” McConnell said. “Aside from the river industry, it’s been the biggest economic driver we have.”

McConnell noted that he thought the decision to go with GLE was a good one across the board, not only for the local economy but also for the federal government. He said he was happy the federal government would be making money on the deal.

Chad Chancellor, president of Paducah Economic Development, said he was happy to hear the official announcement Wednesday after nearly 14 months of work. He praised lawmakers for working together.

“On the local level, this has been our No. 1 priority as a community for probably the last 10 years,” Chancellor said. “There’s still a long way to go, with licensing and permits and negotiations, but this is a great first step. We are committed to making it successful at the local level.”

GLE isn’t going to bring the high employment numbers of the United States Enrichment Corporation. The company is expected to have between 300 and 400 employees when all is said and done, as opposed to the 1,100 employed by USEC. Other parts of the expansive plant property could, at some point, be used by other companies as well.

GE-Hitachi spokesman Christopher White said GLE is already facing a multi-year approval process. After negotiations with DOE are finished, the company must receive a site license from the Nuclear Regulatory Commission in order to build.

GLE’s laser-based technology will extract natural uranium from the depleted tails already on site in Paducah. Some of the natural uranium stockpiles collected at the Paducah plant could then travel to another GLE site, where it would be enriched to nuclear grade at a facility in Wilmington, N.C.

Although the \$1 billion number was thrown around, White said it would be premature to put a cost on the plant. He did note, however, that it would be a very large capital expense. He also added that if negotiations are successful, the plant GLE would construct would be a 40-plus year plant, and a long term commitment.

“We are certainly very excited about the prospects,” White said. “Paducah had some definite advantages, as far as the plant safeguards already being in place and also a network of highly skilled, nuclear-specific workers. But there’s a lot of steps to go in this process.”

## **Officials happy with announcement**

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Both McCracken County Judge-Executive Van Newberry and Paducah Mayor Gayle Kaler could hardly contain their excitement Wednesday during a news conference concerning the Department of Energy’s reuse plans for the Paducah Gaseous Diffusion Plant.

The long-awaited announcement has been the buzz of western Kentucky. Officials speculated on a Thanksgiving announcement, a speculation that they were glad to see become reality Wednesday morning when the DOE announced it was in negotiations

with GE-Hitachi's Global Laser Enrichment. For local officials, who have spent the past 14 months working to find a suitor for the Paducah Gaseous Diffusion Plant site, it was an early holiday gift.

"There's a lot of hope," Newberry said. "It's a great shot in the arm. I've worn out a lot of shoe leather here, in Frankfort, on trips to talk to GLE officials, and in Washington. It was all worth it."

Newberry, Kaler, Paducah Economic Development chairman Ken Hunt, PED Executive Vice President Charlie Martin and Paducah Area Chamber of Commerce President Sandra Wilson all took to the lectern Wednesday afternoon at the Commerce Center. The group has worked for more than a year on lobbying the DOE to reuse the PGDP.

With plans for the plant site in place, the future of the McCracken County area doesn't look so dim. In fact, with a solid business like GE-Hitachi investing in the community, the county has a lot to look forward to, Wilson said.

"With their reputation, and their strength, it shows a lot that they wanted to come here," Wilson said.

The GLE plant, if approved and ultimately built, will employ anywhere from 300 to 400, a lot less than the United States Enrichment Corporation's 1,100 employees. But Kaler and Newberry said they are going to immediately switch their focus to lobbying the DOE for cleanup funds. State Attorney General Jack Conway echoed that the fight for cleanup dollars would not be forgotten.

The leaders thanked DOE Secretary Ernst Moniz, and also thanked their state and federal delegation. They also noted, in particular, Gov. Steve Beshear for his work on luring the company to western Kentucky.

Martin, who has concentrated his job solely on lessening the blow of USEC leaving and the PGDP shutdown, said it was a truly a day to be thankful.

"A lot of careers, a lot of lives are going to be affected by this announcement," Martin said. "We are giving opportunities to our children, and our grandchildren. This is a great day for our local economy."

## **Lights still shine in 2013 as USEC starts going dark**

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Staff report

The Paducah and regional economies saw some bright spots and experienced some bleak ones in 2013.

A great exhale could be heard on Nov. 27 when the U.S. Department of Energy announced that it selected the GE-Hitachi plan for reuse of the plant site. The plan, submitted by General Electric Hitachi Global Laser Enrichment, will use laser technology to re-enrich high-assay depleted uranium tails.

Up to that announcement it seemed like good news on jobs and development would just spiral away down a black hole, even with the many pockets of light glimmering from different parts of the region. These are just a few of those bright spots in 2013.

Early in the year the Fountain Avenue neighborhood and the rest of Midtown began to show the positive effects of hard work and rehabbing. There was a new grocery, Midtown

Market, that has created a steady traffic of business. Nearby the looming Independence Bank has changed the skyline of the neighborhood and next door the former Coke plant is in an incubation mode as its rich history as a Paducah landmark appears ready to enter its next historical phase. Megan Musselman and husband, Edward, have a vision to restore it for more potential retail or office space.

The corner of Lone Oak Road and Alben Barkley Drive is the home of a new park — Independence Park and a baseball toss away is the imposing new Paducah Middle School.

About three blocks away on Jackson Street another longtime Paducah landmark — the old Modine Manufacturing plant — was finally taken to the ground with plans for a new health services village by Gersh and Terry Lundberg, who bought the land and buildings in November 2012.

Some mainstays of Paducah elected to rebrand themselves. The most notable was Western Baptist Hospital which, in February, woke up one day with a name and mission — Baptist Health Paducah.

Lourdes hospital embarked on an ambitious mission to fund a new \$7 million Hospice Care Center. It will be named in honor of Ray and Kay Eckstein for their \$1.5 million commitment by the Eckstein Charitable Trust. The 10,000 square-foot center will bring inpatient hospice services into one designated location to enhance care and provide a home-like atmosphere for patients and their families. In early November, the campaign was about \$350,000 from its total goal. Construction is to begin in the spring.

On the jobs front, Germany-based Kemmerich Metal Engineering announced plans in January for a 60,000 square-foot auto parts manufacturing plant and headquarters inside the Murray Industrial Park along U.S. 641. Kemmerich plans for 120 jobs in five years through a \$12.2 million investment. In November, German-based “iwis,” which manufactures timing drive systems for vehicle engines, announced plans for a headquarters employing 75 inside the industrial park.

In Marshall County, Ashland Inc. announced it would invest \$15 million in its Calvert City chemicals plant to retain hundreds of employees and improve the facility’s operating efficiency. The plant employs about 500.

Madisonville-based Southern Coal Handling, also known as Ashley Four Rivers Corporation and Four Rivers Terminal Land, shined a bit of light on the region with its work on a rail-to-barge coal terminal at the Ohio River Triple Rail Megasite. According to Paducah Economic Development, the terminal will create 40 to 50 full-time jobs. The company’s total investment for the project is estimated at \$20 million.

Another bright spot came in late June at a groundbreaking for Whitehall Industries, which plans to create 150 jobs in Paducah and invest nearly \$13 million in the project. The company manufactures aluminum components for the automotive industry. The new plant will be on Commerce Drive in Paducah, and will produce high quality and cost effective precision aluminum extrusions and machine fabricated auto components.

Also a Canada-based chemical manufacturing company said it had given the nod to Paducah with a planned expansion into the local economy within the next two years. State documents from the Kentucky Economic Development Finance Authority detail incentives for Macco Organiques to expand operations into the United States with a manufacturing plant in Paducah. The company plans a \$9.55 million investment into its move and estimates bringing 40 jobs to the area. The Paducah plant will be the

company's third, with manufacturing operations in Quebec, Canada, and the Czech Republic.

PED president Chad Chancellor said then that Macco would inhabit PED's spec building in the I-24 Park off Olivet Church Road, formerly known as Industrial Park West.

At the end of 2012, Teletech, a Colorado-based customer call service, announced it was moving to Paducah and bringing 450 jobs to the area.

The Paducah Area Chamber of Commerce did a little rebranding of its own with a new president and new headquarters. Elaine Spalding, Chamber president since 2000, ended her duties on April 12 after taking the position of chamber president at the Rowan County Chamber of Commerce in Salisbury, N.C.

Sandra Wilson, who also serves as a Paducah city commissioner, succeeded Spalding.

The Chamber moved from its Kentucky Avenue site to a refurbished location in the former Freight House on South Third Street.

Wilson took over as Chamber president on June 3, just weeks after USEC began its layoff of workers at the Paducah Gaseous Diffusion Plant.

Management of the United States Enrichment Corp. announced May 24 that it will shut down the company's operations at the Paducah plant, sparking phased layoffs for the plant's estimated 1,100 workers beginning in August.

Charlie Martin, Paducah Economic Development executive vice president, said in early November that the Department of Energy was working toward having a deal in place to keep the Paducah plant — or at least part of it — open. The GE Hitachi announcement, he said was expected before Thanksgiving. It came one day before.

Several companies had filed proposals with the DOE for use of the plant. The GE Hitachi plan got the nod and will use the depleted tails on site, where other companies promised to move them, Martin said.